

category State, gets 50 per cent of the project cost under APDP in a combination of half grant and half loan and the balance 50 per cent is obtained by the project executing authority from Financial Institutions as loan.

Power sector reforms in Himachal Pradesh

1147. SHRI ANIL SHARMA: Will the Minister of POWER be pleased to state:

- (a) whether any study has been made to take stock of the impact of power sector reforms under implementation in Himachal Pradesh; and
- (b) if so, the results achieved so far *vis-a-vis* cost of power to consumers, especially in backward areas in the State, T&D losses and electricity consumption?

THE MINISTER OF STATE IN THE MINISTRY OF POWER (SHRIMATI JAYAWANTI MEHTA): (a) Government of Himachal Pradesh has started implementing power sector reforms based on the provisions of the Memorandum of Understanding (MoU) signed between the Government of Himachal Pradesh and the Ministry of Power on 31 March, 2001. This MoU is operative over a period of five years upto March, 2006 and the overall impact of the reforms is being monitored by the Ministry of Power.

(b) A detailed plan has been prepared by the Government of Himachal Pradesh to implement the MoU, which *inter alia* envisages the setting up Electricity Regulatory Commission. Himachal Pradesh Electricity Regulatory Commission (HPERC) has started functioning. HPERC has already passed tariff order on 29.10.2001 which has been notified on 31.10.2001 to be effective from 1.11.2001. Himachal Pradesh Government is taking necessary steps under reform process for better distribution, management in reduction of T&D losses, computerization of operations, installation of electronic meters, establishment of separate account centres for accountability of three major areas of operations of the State Electricity Board *viz.* generation, transmission and distribution.